From: Andrew Lanclos
To: Microsoft ATR
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**Subject:** This settlement is not in the best interests of consumers and business.

It is in my belief that this settlement is mostly being propsed at this time so that Microsoft will be "free" to bring the market back to its once-prosperous state, and allow the economy to revive. While these goals are virtuous and lofty, the fact of the matter is that Microsoft's short-term profitability will not allow the economy to recover in the long term.

As Stanley Sporkin put it during his denial of the original settlement terms put forth in 1995, "simply telling a defendant to go forth and sin no more does little or nothing to address the unfair advantage it has already gained." The settlement proposed right now amounts to little more than saying "Stop, or I'll say 'Stop!' again!" I agree that dividing Microsoft into parts is not the answer - Little exists to ensure that those severed companies wouldn't simply cooperate fully with each other in "strategic partnerships".

A better remedy would be to have a codebase oversight group composed of industry-familiar persons who would be able to point out deficiencies in Microsoft's products that harm consumers' right

to choose. For instance, Windows XP is being hotly contested in many foreign nations due to its overwhelming power over the user. Microsoft's "concessions" in this manner are to allow a small measure of competitive advertising, as long as Microsoft's own services and products also remain advertised with the same capacity. To restate the thinking of many Unix users, "The operating system runs the computer. It's not the operating system's job to play movies or record MP3s or write a letter. That task is left up to applications, applications that should be optional for users to pick and choose between publishers, or none at all if the user doesn't need that functionality."

I use Windows XP because I find it to have many new features to the actual Operating System that are very beneficial to users. However, there are also many bundling practices with Windows XP that, if I were a novice user, would impose an unnatural selection choice on me to use a Microsoft product, simply because it's convenient. Many (Over 50%) home PC owners still don't have internet broadband service, so picking a competing web browser over Internet Explorer is a rather difficult task. First off, the user has to know that it exists, and many don't. Secondly, at its current download size, it takes well over two hours to download. Most users would balk at being online for that long, and simply bail out at this point. Microsoft has used this as a leverage point for some time to prevent users from working with Netscape. Most online users I know that use Netscape do so because it was provided by their Internet Service Provider. When (And they have before) Microsoft proposes licensing restrictions for ISP software including Internet

Explorer, they generall give ISPs only two choices. Provide only Internet Explorer, or pay us money to allow you to carry IE without our license restriction.

Microsoft has just recently entered the video game console market. As a longtime consumer of this market, it scares me terribly, because I know that the same predatory practices Microsoft has long employed in the PC realm will also (and have already) be used here. It's no secret that exclusive titles help to strengthen a console's marketability, but Microsoft is entering this market with significantly higher resources than Nintendo and Sony have at their disposal. Sony may be an electronics giant, but they don't have the cash to bet the farm on the success of the PlayStation2, especially in the economy's state as it is. Microsoft's tactics include offering developers free licensing and benefits for developing titles exclusively for their system, the Xbox. While this is normally harmless, the fact is that Microsoft has significantly more power to do this than Nintendo and Sony, both longtime legitimate competitors in this arena. Microsoft can (and does, and will continue to) simply offer developers the only financially viable option - Develop for us for free, or take your chances elsewhere. Effectively, they'll stifle off the ability of developers to publish titles on other systems simply because of the fact that their short-term economic viability is ensured by Microsoft's marketing dominance. Microsoft will win not because it has superior hardware or superior marketing or superior title offerings - It will win because it had more money to play with. The situation here is tantamount to an Olympian athlete who has long been using anabolic stimulants to repeatedly artificially win competitions - He then suddenly decides that he wants to compete in other races, such as the decathalon and the long jump, because "it's his right to compete", even though he has already demonstrated a clear unfair advantage.

Microsoft makes some decent software, assuredly. But the fact of the matter is that its development staff is hindered by a cycle of marketers and lawyers gone mad, who can't stop the cash flow lest it leave them dry. Microsoft doesn't need to branch out into other markets to assure its long-term financial viability. It's already ensured this by crushing all the competition in the markets it already exists in. And the bureaucratic dawdling in this matter has only allowed Microsoft to continue to stifle competitors even more. Microsoft may say that its competitors just don't have things together, and that their failures are their own faults, but the fact is that repeatedly Microsoft has put forth barriers to entry, and any perceived "difficulties" are generally due to Microsoft's own efforts. They have a long history of ballot-stuffing, false advertising, and outright lying (Bill Gates himself said in a CNN interview three nights ago that the Nintendo GameCube, one of the Xbox's competing systems, was \$299 in price. It's actually \$199, which is one of its primary selling points). Quietly issuing retractions and apologies does little for the consumer market when the damage has already been done.

Nothing exists in this settlement which will result in the "most effective and certain relief in the most timely manner." It doesn't even amount to a slap on the wrist because nobody's slapping anyone. Microsoft can not and WILL NOT be stopped by the measures in this anti-trust settlement. In reality, the most effective measure of the settlement with Microsoft has already been done - Microsoft has had to devote its lawyers and part of its fund to fighting this court battle that would have normally been used to take down even more competitors. Those who support it by claiming that it puts an end to "government waste" will

be poorly served because it the settlement will have effectively become a waste of 6+ years of time and bureaucracy and money put forth to settle this. Don't make this whole case a waste. Come up with some better restrictions on Microsoft that will ensure its own viability along with its competitors.

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